

Message Text

CONFIDENTIAL

PAGE 01 VIENNA 03528 301740 Z

52

ACTION EB-11

INFO OCT-01 AF-10 ARA-11 EUR-25 EA-11 NEA-10 ADP-00 SCEM-02

INT-08 AID-20 CIAE-00 COME-00 FRB-02 INR-10 NSAE-00

RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01

OMB-01 RSR-01 JUSE-00 /152 W
----- 068744

R 301542 Z APR 73

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 8619

USINT ALGIERS

USINT BAGHDAD

AMEMBASSY CARACAS

AMCONSUL DHAHRAN

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY PARIS

USOCD PARIS

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

C O N F I D E N T I A L VIENNA 3528

E. O. 11652: GDS

TAGS: ENRG, OPEC, FIN

SUBJ: OPEC PARITY NEGOTIATIONS

1. CHIEF ECONOMIST, DR. MOHAMED AL MAHDI, INFORMED REPORTING OFFICER ON DISCREET BASIS THAT FORMULA USED FOR OPEC DOLLAR ADJUSTMENT WAS BASED ON AVERAGE APPRECIATION OF ALL GROUP OF 10 CURRENCIES (MINUS DOLLAR) AGAINST DOLLAR, I. E. TOTAL OF ALL PERCENTAGES DIVIDED BY NINE, AS OF APRIL 1, 1973.

2. CALCULATING THIS BASIS INR DEVALUATION STUDY DATED APRIL 11,
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENNA 03528 301740 Z

WE GOT RESULT OF 13 PERCENT. THIS FIGURE ALSO QUOTED IN BBC BROADCAST. HOWEVER, AL MAHDI REFUSED CONFIRM EXACTNESS POINTING OUT THAT U. S. ACTION IN DEVALUING DOLLAR WAS ACCOMPANIED BY UPWARD REVALUATIONS OTHER CURRENCIES.

3. MOST PERSISTENT FIGURE MENTIONED IN VIENNA CIRCLES IS 16 PERCENT BUT WE HAVE NO CONFIRMATION.

4. OIL COMPANIES REPORTEDLY OFFERED 6 PERCENT ADJUSTMENT. OPEC APPEARS CONFIDENT THAT COMPANIES WILL COME UP WITH BETTER OFFER MAY . IF NOT, GENERAL FEELING IS THAT OPEC MEMBERS WILL UNILATERALLY TRY RAISE POSTED PRICES. PROBLEM AFFECTING THIS ACTION, HOWEVER, IS THAT DIFFERENT REGIONS MAY IMPOSE HIGHER INCREASES THAN OTHERS DUE TO TRADE PATTERNS, FOR INSTANCE PERSIAN GULF AND JAPAN WHERE YEN APPRECIATION IS 36.7 PERCENT. HUMES

CONFIDENTIAL

NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts:
Control Number: n/a
Copy: SINGLE
Draft Date: 30 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973VIENNA03528
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: RR
Errors: n/a
Film Number: n/a
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730454/aaaazhf.tel
Line Count: 79
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 07 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Sep-2001 by cunninfx>; APPROVED <26-Oct-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 980205
Subject: OPEC PARITY NEGOTIATIONS
TAGS: ENRG, AU, OPEC
To: ALGIERS
BAGHDAD
CARACAS
DHAHRAN
EB
JAKARTA
JIDDA

KUWAIT
SECSTATE WASHDC

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005